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Docket Clerk
U.S. DOT Dockets, Room PL-401
400 Seventh St., SW
Washington, DC 20590-0001

Subject: Docket No. FHWA-98-3706 - S O

Dear Representative:

HCI USA Distribution Companies Inc. is a chemical distributor who operates several companies that distribute hazardous materials. The proposed changes to Hours of Service (HOS) would have a major effect upon our companies. These effects would require us to hire more drivers, purchase more trucks, make more trips on the roads and raise our prices to our customers.

We understand the Federal Highway Administration (FHWA) concern over this issue, but strongly encourage you to rethink your approach. One of our companies cited a need to increase both workforce and equipment by 25%. This is unacceptable in today's market of low unemployment and rising interest rates (financing equipment). Chemical distribution is a highly competitive business. There are daily emergency calls from customers for immediate deliveries. We need to be able to service our customers. This rule will have a very negative effect upon us.

As some driver's legal pay would decrease by 15-20% (due to the reduction in work hours from 70 to 60 per week), some drivers might "cook the books" or operate with two logs to make up for their loss of income. HCI, as members of the National Association of Chemical Distributors (NACD) adhering to the Responsible Distribution Process (RDP) would be on the lookout for this and enforce the regulations. However, our fear is that other will not. Thus there is an increased risk of our drivers and the public.

Due to the present economy, we are in a position of constantly hiring drivers. There is a terrible shortage of competent workers. This is easily explained by the 4-5% unemployment rate in the marketplace. We have to "steal" workers from other companies. Then they steal them from us. We have a major labor shortage in America.

Because of the mandatory two-day break covering midnight to six in the morning, more trucks will be on the road with commuters. This will surely result in more accidents involving trucks, as more of them will be present. Remember, the majority of accidents ~70% are caused by passenger cars and not truckers.

Companies that operate on a "just in time" system will feel an even greater burden from this rule. This is an unfair economic burden to place upon them.

Corporate Environmental Management – A.E. (Andy) Cuthbert
56 Cape Cod, Irvine, California 922620-2711
Telephone: 949-559-0200 Fax: 949-559-0205



One of our companies presently uses on board monitoring. There are still problems with this system. We have caught errors that would have resulted in drivers violating the HOS rules as they currently stand. The costs of these systems are extremely high.

We do not feel that your approach is correct to address reducing accidents. We do not believe your numbers, used in the proposed rule are accurate nor valid. We do not feel there is a problem in our industry, SIC 5169 / NASIC 42269, and that you are trying to solve a problem that does not exist in our business.

Your actions will only result in higher risks and prices for consumer. They not result in an improved safety record, as there is an exemplary one in this matter for our industry.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. E. Cuthbert', is written over a horizontal line.

A.E. Cuthbert
Assistant Corporate Environmental Manager